

CREDIT FOR PRIOR YEAR'S CONNECTICUT
MINIMUM TAX FOR INDIVIDUALS, TRUSTS AND ESTATES

Your First Name and Middle Initial	Last Name (as shown on your Income Tax Return)	Your Social Security Number or FEIN
If a <i>JOINT</i> Return, Spouse's First Name and Middle Initial	Last Name (as shown on your Income Tax Return)	Your Spouse's Social Security Number ____ : ____ : ____

PURPOSE OF FORM: Individuals, trusts and estates must use **Form CT-8801** to compute the adjusted net Connecticut minimum tax credit for the Connecticut alternative minimum tax paid in prior taxable years beginning on or after January 1, 1993. The form is also used to figure any minimum tax credit carryforward that may be used in future years.

WHO SHOULD FILE THIS FORM? Individuals, trusts and estates should file **Form CT-8801** if the individuals, trusts or estates had a Connecticut alternative minimum tax liability in 1997 and adjustments or items of tax preferences (other than exclusion items) in 1997. Also file **Form CT-8801** for credit on any minimum tax credit carryforward from a prior year.

To determine the amount of credit carryforward, complete **Form CT-8801** for each preceding year.

1. 1997 Connecticut alternative minimum tax calculated at 19% (<i>See instructions</i>)	1		
2. 1997 Connecticut alternative minimum tax on federal exclusion items calculated at 19% (<i>See instructions</i>)	2		
3. Subtract Line 2 from Line 1 (if the result is zero or less, enter 0)	3		
4. Enter the decimal from Worksheet B, Line K	4	■	
5. Multiply Line 3 by Line 4 (if the result is zero or less, enter 0)	5		
6. Enter the amount of carryforward from 1997 Form CT-8801 (<i>See instructions</i>)	6		
7. Add Line 5 and Line 6	7		
8. 1998 Connecticut income tax minus allowable credits (<i>See instructions</i>)	8		
9. 1998 Connecticut alternative minimum tax minus allowable credits (<i>See instructions</i>)	9		
10. Subtract Line 9 from Line 8 (if the result is zero or less, enter 0)	10		
11. 1998 Adjusted Net Connecticut Minimum Tax Credit (<i>See instructions</i>)	11		
12. Adjusted Net Connecticut Minimum Tax Credit Carryforward to 1999 (Subtract Line 11 from Line 7) (<i>See instructions</i>)	12		

WORKSHEET A

YOU MUST COMPLETE COLUMN I BEFORE COMPLETING COLUMN II.

- A. 1997 adjusted federal tentative minimum tax (*See instructions*)
- B. Multiply Line A by 19% (.19)
- C. Apportionment factor (*See instructions*)
- D. Apportioned Connecticut alternative minimum tax calculated at 19% (Multiply Line B by Line C)
- E. 1997 Connecticut income tax (From 1997 Form CT-1040, Line 6, Form CT-1040NR/PY, Line 10 or Form CT-1041, Line 2 or Line 3)
- F. Subtract Line E from Line D (if zero or less, enter 0)
- G. Credit for minimum tax paid to qualifying jurisdictions for full-year and part-year Connecticut residents only (*See instructions*)
- H. Connecticut alternative minimum tax calculated at 19% (Subtract Line G from Line F)

COLUMN I	COLUMN II
■	■

WORKSHEET B

- I. Multiply the amount on 1997 Form CT-6251, Line 19 by the amount on 1997 Form CT-6251, Line 21; then subtract the amount from 1997 Form CT-6251, Line 23; **or** multiply the amount on 1997 Form CT-1041, Schedule I, Line 18b by the amount on 1997 Form CT-1041, Schedule I, Line 20; then subtract the amount from 1997 Form CT-1041, Schedule I, Line 22.
- J. Multiply the amount on 1997 Form CT-6251, Line 18 by the amount on 1997 Form CT-6251, Line 21; then subtract the amount from 1997 Form CT-6251, Line 23; **or** multiply the amount on 1997 Form CT-1041, Schedule I, Line 18a by the amount on 1997 Form CT-1041, Schedule I, Line 20; then subtract the amount from 1997 Form CT-1041, Schedule I, Line 22.
- K. Divide Worksheet B, Line I by Line J. Round to four decimal places. (If the result is one or greater than one, enter 1.0000. If the result is zero or less, enter 0.) Enter here and on Line 4 above

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ATTACH THIS FORM TO THE BACK OF YOUR CONNECTICUT INCOME TAX RETURN

General Information

How is the credit for prior year minimum tax calculated? Your credit for 1998 is calculated by subtracting the part of your 1997 Connecticut alternative minimum tax that was attributable to adjustments and items of tax preferences (such as exclusion items) specified in Internal Revenue Code Section 53(d) from your net Connecticut alternative minimum tax paid in 1997 and adding the result to the amount of credit carried forward from the prior year.

Exclusion items are your federal alternative minimum tax adjustments and preferences for: the standard deduction, itemized deductions (including any investment interest expense reported on federal Schedule E), the deduction for charitable contributions of appreciated property, certain tax-exempt interest, and depletion. For more information, see instructions for federal Form 8801, Credit for Prior Year Minimum Tax - Individuals, Estates and Trusts.

How may the credit be used? You may be able to reduce your regular Connecticut income tax liability by the amount of your credit. Your credit for 1998 is limited to the amount that your regular Connecticut income tax for 1998, less the credit allowed for income tax paid to a qualifying jurisdiction(s), exceeds your Connecticut alternative minimum tax for 1998, less the credit allowed for alternative minimum tax paid to a qualifying jurisdiction(s).

EXAMPLE: If your 1998 regular Connecticut income tax is \$5,000, your credit for income tax paid to a qualifying jurisdiction is \$1,000, and your 1998 Connecticut alternative minimum tax is \$3,500, your allowable credit is limited to \$500 [(\$5,000 - \$1,000) - \$3,500 = \$500]. If your credit for the prior year's alternative minimum tax is \$2,000, you can only use \$500 of that credit in 1998. You may carry forward the balance of \$1,500 for use in future years.

What happens to the unused portion of the credit? Any unused portion of the credit may be carried forward to reduce your regular Connecticut income tax in future years. You may carry the credit forward until it is completely used. If you are entitled to any additional credit in a subsequent year, you may add that credit to any balance being carried forward from earlier years.

General Instructions

Individuals - Enter in the space provided at the top of the form your name and Social Security Number as it appears on your Connecticut income tax return. If you filed a joint return, also enter your spouse's name and Social Security Number.

Trusts and Estates - Enter in the space provided at the top of the form the name of the estate or trust and the name of the fiduciary as it appears on **Form CT-1041**. Also enter the Federal Employer Identification Number of the estate or trust.

Form CT-8801 - Line Instructions

If you were not liable for Connecticut alternative minimum tax in 1997, but you are claiming a credit carryforward DO NOT complete Lines 1 through 5. Enter zero on Line 5 and start with Line 6.

Complete Worksheets A and B before completing Lines 1 through 12.

Line 1 - 1997 Connecticut alternative minimum tax calculated at 19%.

Enter the amount from Worksheet A, Column I, Line H.

Line 2 - 1997 Connecticut alternative minimum tax on federal exclusion items calculated at 19%.

Enter the amount from Worksheet A, Column II, Line H.

Line 6 - Enter the amount of carryforward from 1997 **Form CT-8801**, Line 12.

Line 8 - 1998 Connecticut income tax minus allowable credits.

Resident Individuals: Enter on Line 8 the amount from your 1998 **Form CT-1040**, Line 8.

Part-year Resident Individuals and Nonresident Individuals: Enter on Line 8 the amount from your 1998 **Form CT-1040NR/PY**, Line 12.

Resident Trusts and Estates, Part-year Resident Trusts and Nonresident Trusts and Estates: Enter on Line 8 the amount from your 1998 **Form CT-1041**, Line 5.

Line 9 - 1998 Connecticut alternative minimum tax minus allowable credits.

To claim a credit for prior year's alternative minimum tax, complete **Form CT-6251** or **Form CT-1041**, Schedule I, even if you do not have a federal alternative minimum tax and are not required to file the Connecticut **Form CT-6251** or **Form CT-1041**, Schedule I.

Resident Individuals and Part-year Resident Individuals: Subtract the amount on your 1998 **Form CT-6251**, Line 25 from the amount on your 1998 **Form CT-6251**, Line 22, and enter the difference on Line 9.

Nonresident Individuals: Enter on Line 9 the amount from your 1998 **Form CT-6251**, Line 22.

Resident Trusts and Estates and Part-year Resident Trusts: Subtract the amount on your 1998 **Form CT-1041**, Schedule I, Line 24 from the amount on your 1998 **Form CT-1041**, Schedule I, Line 21, and enter on Line 9.

Nonresident Trusts and Estates: Enter on Line 9 the amount from your 1998 **Form CT-1041**, Schedule I, Line 21.

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Line 11 - 1998 adjusted net Connecticut minimum tax credit.

Resident Individuals: Enter on Line 11 and on your 1998 **Form CT-1040**, Line 13: the amount from Line 7 or Line 10 of this form or your 1998 **Form CT-1040**, Line 12, whichever is least.

Nonresident and Part-year Resident Individuals: Enter on Line 11 and on your 1998 **Form CT-1040NR/PY**, Line 15: the amount from Line 7 or Line 10 of this form or your 1998 **Form CT-1040NR/PY**, Line 14, whichever is least.

Trusts and Estates: Enter on Line 11 and on your 1998 **Form CT-1041**, Line 8: the amount from Line 7 or Line 10 of this form, or your 1998 **Form CT-1041**, Line 7, whichever is least.

Line 12 - Adjusted net Connecticut minimum tax credit carryforward to 1999.

Keep a record of this amount because it may be carried forward and used in future years.

Worksheet A Instructions

Complete Column I before completing Column II.

COLUMN I

Use Column I to calculate your 1997 Connecticut alternative minimum tax at 19%.

Line A - 1997 adjusted federal tentative minimum tax.

Enter the amount from Line 17 of your 1997 **Form CT-6251** or Line 17 of your **Form CT-1041**, Schedule I.

Line C - Apportionment factor.

Nonresidents and part-year residents enter the apportionment factor (rounded to four decimal places) from Line 21 of your 1997 **Form CT-6251**, or Line 20 of **Form CT-1041**, Schedule I. Connecticut residents enter 1.0000.

Line G - Credit for minimum tax paid to qualifying jurisdictions.

Enter the amount from Line 25 of your 1997 **Form CT-6251** or Line 24 of **Form CT-1041**, Schedule I.

Line H - Connecticut alternative minimum tax calculated at 19%.

Subtract Line G from Line F. If the result is zero or less, enter 0. Enter the result on Line H and on **Form CT-8801**, Line 1.

COLUMN II

Use Column II to calculate the Connecticut alternative minimum tax on exclusions, Section 1250 gains, and any other item that is not a deferral item.

To complete Column II, you must recalculate your 1997 Connecticut alternative minimum tax on exclusions, Section 1250 gains and any other item that is not a deferral item by using a blank 1997 **Form CT-6251** or 1997 **Form CT-1041**, Schedule I as a worksheet. This worksheet will be your "recalculated return."

Enter on Lines 2 and 4 of your recalculated return the same amounts as on your original 1997 **Form CT-6251** or **Form CT-1041**, Schedule I. Enter on Line 16 of your recalculated return the Minimum Tax Foreign Tax Credit on exclusion items using the instructions for federal Form 8801. On your recalculated return, enter the same amount as on your original 1997 **Form CT-6251**, Line 23, or **Form CT-1041**, Schedule I, Line 22.

Caution: When completing Part II of your recalculated return, be sure to use the amounts from Schedule D of your 1997 federal Form 1040 or Form 1041, as indicated below.

Enter on Lines 28, 29, 31 and 36, of your recalculated return, **Form CT-6251**, the amounts from federal Form 1040, Schedule D, Lines 27, 25, 22 and 36. Enter on Lines 27, 28, 30 and 35, of your recalculated return, **Form CT-1041**, Schedule I, the amounts from federal Form 1041, Schedule D, Lines 27, 24, 21 and 36.

For more information, see instructions for federal Form 8801.

Line A - 1997 adjusted federal tentative minimum tax.

Enter the amount from Line 17 of your recalculated 1997 **Form CT-6251** or Line 17 of your **Form CT-1041**, Schedule I.

Line C - Apportionment factor.

Nonresidents and part-year residents enter the apportionment factor (rounded to four decimal places) from Line 21 of the recalculated 1997 **Form CT-6251**, or Line 20 of **Form CT-1041**, Schedule I. Connecticut residents enter 1.0000.

Line G - Credit for minimum tax paid to qualifying jurisdictions.

Enter the amount from Line 25 of your recalculated **Form CT-6251** or Line 24 of **Form CT-1041**, Schedule I.

Line H - Connecticut alternative minimum tax calculated at 19%.

Subtract Line G from Line F. If the result is zero or less, enter 0. Enter the result on Line H and on **Form CT-8801**, Line 2.